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PUBLIC VERSION

November 13, 2001

Ms. Gloria Blue
Executive Secretary
Trade Policy Staff Committee
Office of the USTR
600 17th Street, NW
Washington, DC 20508

VIA ELECTRONIC MAIL

fr0001@ustr.gov

PUBLIC VERSION

Re: Request for Exclusion of Products from Any Increased Duty, Tariff-Rate Quota, or Quantitative Restriction with Regard to Imports of Certain Steel

Dear Ms. Blue:

This submission is filed on behalf of Dana Corporation pursuant to the Federal Register notice entitled Trade Policy Staff Committee; Public Comments on the Potential action Under Section 203 of the Trade Act of 1974 With Regard to Imports of Certain Steel, 66 Fed. Reg. 54321 (October 26, 2001) seeking to have certain aluminized steel excluded from any increased duty, tariff-rate quota, or quantitative restriction.

Pursuant to 15 CFR 2003.6, Dana requests that certain information contained in this submission be treated as business confidential and not disclosed to the public. The specified information constitutes trade secrets, and commercial and financial information the disclosure of which is not authorized by Dana.

Dana Corporation is a purchaser of the material at issue in this request. The information requested in the above-referenced Federal Register notice is as follows:

- (a) The designation of the product under a recognized standard or certification (e.g. ASTM, DIN), or the commercial name for the product and the HTS number under which the product enters the United States.**

The designation for this product is ASTM A 463 DDS – Aluminized Steel. This merchandise is commonly known as aluminum coated cold rolled carbon steel sheet, or aluminized steel (titanium killed). However, this request seeks exclusion for such products only if they are 0.012 inch gauge, including standard industry tolerances of plus or minus 10%. Please note that every discussion of gauge in this submission assumes this standard industry tolerance of plus or minus 10%.

It is Dana's understanding that when the merchandise enters the United States it is classified under HTS number 7225.99.0090. However, because Dana is merely a purchaser, and not the importer, Dana cannot state the HTS number under which the product is entered with assurance.

- (b) A description of the product based on physical characteristics (e.g. chemical composition, metallurgical properties, dimensions, surface quality) so as to distinguish the product from products for which exclusion is not sought.**

The fundamental physical characteristics that distinguish the materials Dana seeks to have excluded from other products relate to the gauge of the steel in question. The product Dana seeks to have excluded consists of the steel discussed in (a) above, but solely where the product is produced in 0.012 inch gauge.

- (c) The basis for requesting an exclusion.**

Dana seeks an exclusion for this specific gauge of this product for two related reasons. First, Dana has tried and failed to locate a United States producer of steel who does or will manufacture this gauge of the product. United States mills are available which manufacture this merchandise in 0.015 inch gauge, but Dana has not located a mill which can or will produce the material in 0.012 inch gauge.

The second, related, reason Dana seeks an exclusion for this material is because Dana's customer for the merchandise produced with the 0.012 inch gauge steel requires that the finished product be produced using 0.012 inch gauge. This requirement by Dana's customer means that Dana does not have the option to substitute available gauges of this material for the 0.012 inch gauge. Therefore, Dana is unable to supply its customer, [* * * * *]¹ with the product its customer demands without utilizing imported 0.012 inch gauge material. If Dana is unable to source this material it will have severe consequences, not only for Dana, but for its customers, for whom Dana is often the sole supplier.

¹ This information is Dana's customer (commercial information).

Because Dana is not able to source this material in the United States, and because Dana's customer requires that the final product be made from a product of this gauge Dana seeks to have this merchandise excluded from any increased duty, tariff-rate quota, or quantitative restriction.

(d) The names and locations of any producers, in the United States and foreign countries, of the product.

To the best of Dana's knowledge, experience, and belief, there is no United States producer of this merchandise in 0.012 inch gauge. While there are United States producers of ASTM A 463 in 0.015 inch gauge, as explained above, Dana cannot use gauge 0.015 inch gauge as a substitute for 0.012 inch gauge.

Usinor S.A. of France is the producer of the merchandise Dana uses. It is not clear to Dana whether other producers around the world also produce this merchandise in 0.012 inch gauge.

(e) Total U.S. consumption of the product, if any, by quantity and value for each year from 1996 to 2000, and projected annual consumption for each year from 2001 to 2005, with an explanation of the basis for these projections.

Dana has no basis for stating the total United States consumption of this extremely specific product. It appears that no trade data sources offer a detailed enough breakdown to reflect the importation only of 0.012 inch gauge aluminum coated cold rolled carbon steel sheet of this type. Information contained on the International Trade Commission web page, for instance, appears to encompass a tremendous range of products beyond the specific merchandise for which Dana seeks exclusion.

Dana also has no basis for projecting total United States projected annual consumption for the 2001 to 2005 period. However, Dana projects its own purchases of this material in pounds for the 2001 to 2005 period as:

<u>2001</u>	<u>2002</u>	<u>2003</u>
[* * *	* * *	* * *] ²

This estimate is based on Dana's history of supplying finished goods with this material, and information regarding expected usage received from Dana's customer. Dana is unable to estimate for 2004 or 2005.

(f) Total U.S. production of the product for each year from 1996 to 2000, if any.

² This data is Dana's expected material usage (commercial information).

To the best of Dana's knowledge and belief there has been no United States production of this material in 0.012 inch gauge in the period 1996 through 2000.

- (g) The identity of any U.S.-produced substitute for the product, total U.S. production of the substitute for each year from 1996 to 2000, and the names of any U.S. producers of the substitute.**

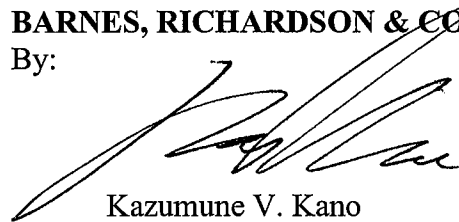
For Dana's purposes, there are no substitutes for this merchandise in 0.012 inch gauge. The finished product is specified by Dana's customer to be produced from this standard of steel, and is specified to be made from 0.012 inch gauge steel. Insofar as Dana has been unsuccessful in its efforts to find a United States mill to supply this material within those specifications, Dana seeks to have this product excluded. Therefore, Dana lists no United States produced substitutes here. Similarly, Dana does not list United States production amounts or the names of substitute product producers.

As reflected in the information provided above, imports of this merchandise have not had, and will not have, any adverse impact on the United States steel industry. This is true because there is no United States member of the steel industry that a) produces, or b) expressed any willingness to produce this merchandise in the gauge needed by Dana. As such, imposition of increased duties, tariff-rate quotas, quantitative restrictions, or any other relief for the United States steel industry will have an adverse effect on Dana's operations without benefiting the United States steel industry. Therefore, Dana respectfully requests that this merchandise be excluded from any relief the President may grant in connection with this matter.

Thank you for your attention to this matter. Please feel free to contact us if you have any questions regarding this matter.

Very truly yours,

BARNES, RICHARDSON & COLBURN
By:



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